



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8980

APR 02 2015

UNITED PARCEL SERVICE
EMAIL VERIFICATION REQUESTED

J. David Hilton, Vice President-Production
Pruet Production Company
217 West Capitol Street, Suite 201
Jackson, Mississippi 39201

Dear Mr. Hilton:

Pursuant to Section 114(a)(1) of the Clean Air Act (the Act), 42 U.S.C. § 7414(a)(1), you are hereby requested to provide the U.S. Environmental Protection Agency with information relating to Pruet Production Company (Pruet) natural gas wells located in Mississippi. This information is needed to determine whether Pruet is in compliance with requirements of the Act and its implementing regulations. Section 114(a) of the Act, 42 U.S.C. § 7414(a), authorizes the Administrator of the EPA to require any person who owns or operates an emission source, whom the Administrator believes may have information necessary for the purposes set forth in Section 114(a), or who is subject to any requirement of the Act, to provide such information as the Administrator may reasonably require for the purpose of carrying out any provision of the Act. This authority has been duly delegated to the Director of the Air, Pesticides and Toxics Management Division, Region 4.

Please review and follow the instructions in and, where required, complete the following enclosures: Instructions (Enclosure 1), Definitions (Enclosure 2), Claiming Confidentiality (Enclosure 3), Questions (Enclosure 4), and Statement of Certification (Enclosure 5).

The requested information shall be submitted to the EPA per Enclosure 1. The responses shall be submitted no later than thirty (30) calendar days after Pruet's receipt of this letter as determined by the date of the Email Verification. This information must be submitted to the following individual:

Denis B. Kler
APTMD/AETB
U.S. EPA Region 4
61 Forsyth Street, S.W.
Atlanta, Georgia 30303

Failure to provide the information required by this letter is a violation of the Act and may result in one or more of the following actions: (1) issuance of an order requiring compliance with this request; (2) issuance of an administrative penalty order pursuant to Section 113(d) of the Act, 42 U.S.C. § 7413(d); (3) commencement of a civil action in accordance with Sections 113(b) and 305 of the Act, 42 U.S.C. §§ 7413(b) and 7605; and/or (4) any other action authorized under the Act.

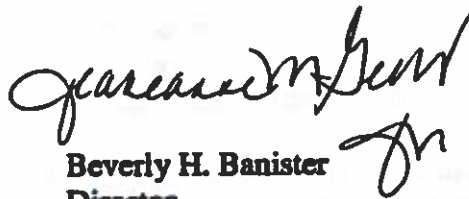
Under Section 114(c) of the Act, 42 U.S.C. § 7414(c), and pursuant to the regulations found at 40 C.F.R. Part 2, Subpart B, including 40 C.F.R. § 2.301, you are entitled to assert a claim of business confidentiality for any information you provide to the EPA that involves trade secrets and which Pruet regards as confidential business information (CBI). For such information, you may request that the EPA treat such information as confidential. Any such claim of confidentiality must conform to the requirements of 40 C.F.R. § 2.203(b). Note that "emission data," as defined by 40 C.F.R. § 2.301(a)(2), cannot be claimed as confidential under Section 114(c) of the Act, 42 U.S.C. § 7414(c). For detailed instructions for claiming confidentiality, please see Enclosure 3. Information you supply under a claim of confidentiality will be treated as CBI to the degree determined appropriate according to the regulations. Unless Pruet asserts a confidentiality claim at the time the requested information is submitted, the EPA may make the information available to the public without further notice to you. Please note that any confidentiality claim does not obviate the need to send that portion of the response to the EPA.

The response to the information requested must be accompanied by the enclosed Statement of Certification, which is to be signed and dated by a responsible official of Pruet. This statement certifies that the response submitted to the EPA is complete and contains all documents and information responsive to this request that are known to you, following a complete and thorough review of all information and sources available to you. Please see Enclosure 5 for a Statement of Certification template for Pruet's use.

This request is not subject to the Paperwork Reduction Act, 44 U.S.C. §§ 3501 – 3520, because it seeks information from specific individuals or entities as part of an investigation.

If you have any questions regarding this matter, please contact Mr. Denis B. Kler at (404) 562-9199.

Sincerely,



Beverly H. Banister
Director

Air, Pesticides and Toxics Management Division

Enclosures: 1 – Instructions
2 – Definitions
3 – Claiming Confidentiality
4 – Questions
5 – Statement of Certification

cc: Jay Barkley, MDEQ

ENCLOSURE 1

Instructions

Each of the following instructions applies to each and every question contained in Enclosure 4.

1. If the company has no responsive information or documents pertaining to a particular question, submit an affirmative statement and explanation.
2. If your response to a particular question requires a scanned or hardcopy document, you must identify the filename or document title. Make sure to correlate any hardcopy or scanned documents to a specific question. If a document is responsive to more than one question, this must be so indicated and only one copy of the document needs to be provided.
3. The company may choose to either submit documents in .pdf format or submit documents as hard copy documents. However, electronic submissions are preferred. Should the company choose to provide .pdf electronic documents, do not create separate .pdf files for each page of a single document.
4. Identify each person whom you relied on or consulted with in preparing your responses to each question of this information request. Provide their name, title, job duties and duration of employment with the company. If they are not an employee of the company, identify their employer and provide their name, title, job duties and duration of employment with their employer.
5. Identify each document consulted, examined, or referred to in the preparation of your response or that contains information responsive to the question, and provide a true and correct copy of each such document if not provided in response to another specific question. Indicate on each document produced in response to this information request the number of the question to which it corresponds.
6. If requested information or documents are not known or are not available to you at the time of your response to this information request, but later become known or available to you, you must supplement your response to the EPA within 30 calendar days of discovery of the responsive information. Moreover, should you find at any time after submission of your response that any portion is or becomes false, incomplete or misrepresents the facts, you must provide the EPA with a corrected response as soon as possible.
7. Provide a separate response to each and every question, and each and every subpart of a question.

ENCLOSURE 2

Definitions

1. The terms "document" and "writing" and the plural forms thereof shall mean all written, recorded or graphic matters, however produced or reproduced, of every kind and description, pertaining in any way to the subject matter of this request, and which are in the company's possession, custody or control or to which the company has or has had access. The terms "document" and "writing" shall include, but are not limited to: any receipts; invoices; shipping records; purchase orders; purchase records; books; pamphlets; periodicals; memoranda (including those of telephone or oral conversations); contracts; correspondence; agreements; applications; financial records; security instruments; disbursements; checks; bank statements; time records; accounting or financial records; notes; diaries; logs; facsimiles (faxes); telegrams or cables prepared, drafted, received or sent; electronic mail (email), whether drafted, received or sent; tapes; transcripts; recordings; minutes and notes of meetings; directives; work papers; charts; drawings; prints; flow sheets; photographs; infrared camera recordings; film; computer printouts; x-ray photographs; advertisements; catalogs; data; sampling reports, plans, protocols, reports, analyses; or any handwritten, recorded, transcribed punched, taped, filmed or graphic matter, however produced or reproduced.
2. The terms "person" or "persons" shall have the meaning set forth in Section 302(e) of the Act, 42 U.S.C. § 7602(e), and includes an individual, corporation, partnership, association, State, municipality, political subdivision of a State, and any agency, department, or instrumentality of the United States and any officer, agent or employee thereof.
3. The terms "relate to" or "pertain to" (or any form thereof) shall mean constituting, reflecting, representing, supporting, contradicting, referring to, stating, describing, recording, noting, embodying, containing, mentioning, studying, analyzing, discussing, evaluating or relevant to.
4. The terms "you" and/or "your" shall mean the company, and all its agents, employees, representatives, investigators, accountants, auditors, attorneys, experts, consultants, and contractors. These terms shall also mean any others who are not listed above and are in possession, custody, or control (actual or constructive) of information relevant to this request or information that is otherwise available to Pruet, or who may have obtained information for or on behalf of Pruet.

All terms not defined in this enclosure have their ordinary meaning, unless such terms are defined in the Clean Air Act and/or its implementing regulations, and in which case the statutory and/or regulatory definitions apply. Words in the singular shall be construed in the plural, and vice versa, where appropriate in the context of a particular question or questions. The terms "and" and "or" shall be construed either conjunctively or disjunctively as necessary to bring within the scope of this information request any information which might otherwise be construed to be outside its scope.

ENCLOSURE 3

Confidential Business Information (CBI) Assertion and Substantiation Requirements

A. Assertion Requirements

You may assert a business confidentiality claim covering part or all of the information, other than emissions data and information or data that is otherwise publicly available, as described in 40 C.F.R. § 2.203(b). If no business confidentiality claim accompanies the information when it is received by the EPA, the EPA may make the information available to the public without further notice. To make a confidentiality claim, submit the requested information and indicate that you are making a claim of confidentiality. Any document over which you make a claim of confidentiality should be marked by placing on or attaching to the information, at the time it is submitted to the EPA, a cover sheet, stamped or typed legend, or other suitable form of notice employing language such as "trade secret" or "proprietary" or "business confidential" and a date if any when the information should no longer be treated as confidential. **You must be specific by page, paragraph, and sentence when identifying the information subject to your claim.** Allegedly confidential portions of otherwise non-confidential documents should be clearly identified. Information covered by such a claim will be disclosed by the EPA only to the extent permitted and by means of the procedures set forth by Section 114(c) of the Clean Air Act (the Act), and 40 C.F.R. Part 2, Subpart B. The EPA will construe the failure to furnish a confidentiality claim with your comments on the draft inspection report as a waiver of that claim, and the information may be made available to the public without further notice to you.

B. Substantiation Requirements

All confidentiality claims are subject to EPA verification and must be made in accordance with 40 C.F.R. Part 2, Subpart B. **You bear the burden of substantiating your confidentiality claim** and must satisfactorily show that disclosure of the information would be likely to cause substantial harm to your business' competitive position; that you have taken reasonable measures to protect the confidentiality of the information and that you intend to continue to do so; and that the information is not and has not been reasonably obtainable by legitimate means without your consent, among other things. Conclusory allegations will be given little or no weight.

Before the EPA makes a final determination regarding your claim of confidentiality, pursuant to 40 C.F.R. Part 2, Subpart B, EPA will send you a letter asking you to substantiate fully your CBI claim by answering 11 questions. Your comments in response to these questions will be used by the EPA to determine whether the information has been shown to meet the requirements so as to be entitled to confidential treatment. You must provide the EPA with a response within the number of days set forth in the EPA request letter. Failure to submit your comments within that time will be regarded as a waiver of your confidentiality claim or claims, and the EPA may release the information.

EPA will ask you to specify which portions of the information you consider confidential. You must be specific by page, paragraph, and sentence when identifying the information subject to your claim. Please note that if a page, document, group or class of documents claimed by you to be confidential contains a significant amount of information which the EPA determines is not confidential, your confidentiality claim regarding that page, document, group or class of documents may be denied. Any information not specifically identified as subject to a confidentiality claim may be disclosed without further notice to you. For each item or class of information that you identify as being confidential, the

EPA will ask you to answer the following questions, giving as much detail as possible, as conclusory allegations will be given little or no weight in the EPA's determination:

1. For what period of time do you request that the information be maintained as confidential, e.g., until a certain date, until the occurrence of a specified event, or permanently? If the occurrence of a specific event will eliminate the need for confidentiality, please specify that event.
2. Information submitted to the EPA becomes stale over time. Why should the information you claim as confidential be protected for the time period specified in your answer to question #1?
3. What measures have you taken to protect the information claimed as confidential? Have you disclosed the information to anyone other than a governmental body or someone who is bound by an agreement not to disclose the information further? If so, why should the information be considered confidential?
4. Is the information contained in any publicly available material such as the Internet, publicly available databases, promotional publications, annual reports, or articles? If so, specify which.
5. Is there any means by which a member of the public could obtain access to the information? Is the information of a kind that you would customarily not release to the public?
6. Has any governmental body made a determination as to the confidentiality of the information? If so, please attach a copy of the determination.
7. For each item or category of information claimed as confidential, explain with specificity why release of the information is likely to cause substantial harm to your competitive position. Explain the specific nature of those harmful effects, why they should be viewed as substantial, and the causal relationship between disclosure and such harmful effects. How could your competitors make use of this information to your detriment?
8. Do you assert that the information is submitted on a voluntary or a mandatory basis? Please explain the reason for your assertion. If you assert that the information is voluntarily submitted information, please explain whether the information is the kind that would customarily not be released to the public.
9. Whether you assert the information as voluntary or involuntary, please address why disclosure of the information would tend to lessen the availability to the EPA of similar information in the future.
10. If you believe any information to be (a) trade secret (s), please so state and explain the reason for your belief. Please attach copies of those pages containing such information with brackets around the text that you claim to be (a) trade secret (s).
11. Explain any other issue you deem relevant (including, if pertinent, reasons why you believe that the information you claim to be CBI is not emission data or effluent data).

Please note that emission data provided under Section 114 of the Act, 42 U.S.C. § 7414, is not entitled to confidential treatment under 40 C.F.R. Part 2. "Emission data" means, with reference to any source of emission of any substance into the air - (A) information necessary to determine the identity, amount,

frequency, concentration, or other characteristics (to the extent related to air quality) of any emission which has been emitted by the source (or of any pollutant resulting from any emission by the source), or any combination of the foregoing; (B) information necessary to determine the identity, amount, frequency, concentration, or other characteristics (to the extent related to air quality) of the emissions which, under an applicable standard or limitation, the source was authorized to emit (including, to the extent necessary for such purposes, a description of the manner and rate of operation of the source); and (C) a general description of the location and/or nature of the source to the extent necessary to identify the source and to distinguish it from other sources (including, to the extent necessary for such purposes, a description of the device, installation, or operation constituting the source).
40 C.F.R. §§ 2.301(a)(2)(i)(A), (B) and (C).

Information designated confidential will be disclosed by the EPA only to the extent allowed by, and by means of the procedures set forth in, 40 C.F.R. Part 2, Subpart B. If you fail to claim the information as confidential, it may be made available to the public without further notice to you.

ENCLOSURE 4

Information Request Questions

Provide the following information using the instructions and definitions provided in Enclosures 1 and 2. A response must be sent to the EPA no later than thirty (30) calendar days after Pruet receives this request.

Wolf Creek Wellsite

1. Provide complete copies of the sour gas hydrogen sulfide content analysis for each month from January 2013 to present.
2. Provide copies of all the actual sour gas flow rate monitor charts for the months of January 2013, July 2013, January 2014, and December 2014. Also include a detailed description of how the monitor measures and calculates the gas flow rate, the units of flow rate on the chart, the frequency at which the monitor is calibrated, and copies of the monitor calibration records from January 2013 to present.
3. Provide copies of the measured total sour gas flow rate to the flare for each month from January 2013 to present.
4. Provide complete copies of the semiannual reports summarizing the hydrogen sulfide content, the sour gas flow rate, and the sulfur dioxide emissions that were submitted in July 2013, January 2014, July 2014, and January 2015.
5. Provide a detailed discussion on how the company calculates the sulfur dioxide emissions that are submitted with the semiannual reports.
6. During the on-site evaluation, EPA identified a white collection container downstream of the storage tanks and upstream of the flare. Provide a description of the purpose of the white collection container, and the date that the container was installed.
7. Provide complete copies of any sampling analysis of the material contained in the white collection container.
8. Provide copies of the records from January 2013 to present, identifying the date, the time, the quantity of material that was removed from the white collection container, and how the material was disposed.
9. Provide copies of any extended laboratory analysis of the combined gas vent stream sent to the flare from January 2013 to present. If no extended laboratory analysis is available during the specified time period, then provide a copy of the most recent extended laboratory analysis. With each copy of an extended analysis, provide the method used to take the gas sample, the method used to analyze the gas sample, and the daily production data during the sampling event.
10. Provide copies of any extended laboratory analysis of the pressurized liquid stream leaving the gas-buster and prior to the power oil tank. With each sample provide the method used to take the pressurized liquid sample, and the method used to analyze the pressurized liquid sample.
11. Provide copies of the following documents and writings related to the site:
 - a. All federal and/or state permits, general permits, registrations, notifications, authorizations, and/or determinations (including any claimed exemption authorizations which do not require notification) relating to federal and/or state permitting applicability pursuant to the Clean Air Act and its implementing regulations;
 - b. All permit applications, supporting materials, and correspondence with any federal and/or state permitting authority regarding the approval or disapproval of such applications, registrations, notifications, authorizations, determinations, or permits; and

- c. All information, analyses, calculations, and correspondence utilized in concluding that a permit, registration, notification, authorization, and/or determination was or was not required under the Clean Air Act.
- 12. Provide monthly data of oil throughput (in barrels) from January 1, 2013, to present for each oil storage tank at the site.
- 13. Provide the normal operating pressures (psia) ranges for:
 - a. the well head;
 - b. the gas buster; and
 - c. the power oil storage tank.

Welch 5-15 Wellsite

- 14. Provide monthly data of oil throughput (in barrels) from January 1, 2013, to present for each oil storage tank at the site.
- 15. Provide monthly data of produced water generated on-site (in barrels) from January 1, 2013, to present.
- 16. Provide monthly data of produced water received (in barrels) from the Nicholson well, the Bates well, and the Coats well from January 1, 2013 to present.
- 17. Provide monthly data of gas produced on-site (thousand cubic feet) from January 1, 2013, to present.
- 18. Provide monthly data of gas received (thousand cubic feet) from the Nicholson well, the Bates well, and the Coats well from January 1, 2013 to present.
- 19. Does the liquid in the produced water tanks separate into an organic layer and water layer? If so, provide a narrative of what happens to the organic layer in the storage tanks, and a narrative of what happens to the produced water in the storage tank.
- 20. Provide copies of any extended laboratory analysis of the organic layer that separates in the produced water storage tanks. With each sample provide the method used to take the liquid sample, and the method used to analyze the liquid sample.
- 21. Provide copies of any results of volatile organic compound analysis on the water in the produced water storage tanks. With each sample provide the method used to take the liquid sample, and the method used to analyze the liquid sample.
- 22. Provide an extended laboratory analysis of a pressurized liquid sample of the oil leaving the separator and prior to the power oil tank. The company must provide a process flow diagram of where the sample was taken, the company must provide a block flow diagram showing each hydrocarbon liquid and produced water storage tank located at the site and arrows indicating how each stream exiting the separator is routed to tanks and between tanks, the company must take the sample using appropriate industry accepted methods such as GPA method 2174, and the company must analyze the sample using an appropriate industry accepted method such as GPA method 2186. If the company does not use GPA methods 2174 and 2186 for sampling and analysis, respectively, the company must provide justification for why the chosen methods were more appropriate. When submitting the results, include the operating temperature and pressure of the separator, the total gas, water and oil production during the day of the sampling event, and the total gas, water and oil production for the six days prior to the sampling event.
- 23. Provide copies of the following documents and writings related to the site:
 - a. All federal and/or state permits, general permits, registrations, notifications, authorizations, and/or determinations (including any claimed exemption authorizations which do not require notification) relating to federal and/or state permitting applicability pursuant to the Clean Air Act and its implementing regulations;

- b. All permit applications, supporting materials, and correspondence with any federal and/or state permitting authority regarding the approval or disapproval of such applications, registrations, notifications, authorizations, determinations, or permits; and
 - c. All information, analyses, calculations, and correspondence utilized in concluding that a permit, registration, notification, authorization, and/or determination was or was not required under the Clean Air Act.
24. Provide copies of all documents and writings that refer, pertain, or relate to:
- a. Estimates or calculations of VOC emissions at the site, including, but not limited to, estimates generated by process simulator software and direct measurements; and
 - b. The site's potential to emit (PTE) for VOCs; and/or the API Gravity and Reid Vapor Pressure (RVP) (psia) of the condensate.
25. Provide copies of all documents and writings that reference an emission factor for VOCs from condensate storage tanks (in any unit of measure, including, but not limited to, pounds of VOCs per barrel of condensate produced).
26. Provide the following information for the natural gas sales line compressor engine:
- a. the manufacturer of the engine and the date the engine was built;
 - b. the engine model number and serial number;
 - c. the engine design capacity and size; and
 - d. a description of the engine (i.e., whether engine is two stroke or four stroke; a lean burn or rich burn engine; and if it is a reciprocating internal combustion engine).
27. Provide a list of dates the company sent any material to the on-site flare/vent line from January 1, 2013 to present. This information should also include the time the event started, the time the event ended, the reason the event occurred, and the actions taken to correct the event.
28. Provide the normal operating pressures (psia) ranges for:
- a. the well head;
 - b. the separator; and
 - c. the power oil storage tank.

ENCLOSURE 5

STATEMENT OF CERTIFICATION

I certify that I have examined and am familiar with the information in the enclosed documents, including all attachments. Based on my personal inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are, to the best of my knowledge and belief, true and complete. I am aware that there are significant penalties for knowingly submitting false statements and information, including the possibility of fines or imprisonment pursuant to Section 113(c)(2) of the Act, 42 U.S.C. § 7413(c)(2), and 18 U.S.C. §§ 1001, 1341 and 1505.

(Signature)

(Printed Name)

(Title)

(Date)

